



## **Illinois Department of Financial and Professional Regulation**

# **NEWS**

**Division of Insurance  
For Immediate Release:  
January 16, 2008**

## **Unauthorized Medicare Prescription Coverage Sold By Humana Insurance Company**

***Insurance regulator imposes \$500,000 fine and orders new compliance plan***

The Illinois Department of Financial and Professional Regulation – Division of Insurance today entered into a Stipulation and Consent Order with Humana Insurance Company to conclude that company's Market Conduct Examination. The Division conducted the examination of Humana after receiving complaints about enrollment of Illinois citizens into Medicare Part D and Medicare Advantage Plans.

"Any company dealing with Illinois' senior population is forewarned that the Division will not tolerate any marketing or sales practices that put Illinois citizens in unaffordable or unnecessary programs, especially with important and complicated programs such as Medicare Part D and Advantage Program," said Michael T. McRaith, Director of the Division of Insurance.

The initial complaints that were received by the Division showed a pattern indicating consumer displeasure with the Humana Medicare Advantage Plan because the plans were either too costly or duplicative of other coverage.

The Division also determined that, contrary to Illinois law, Humana accepted applications from unlicensed producers and issued policies and paid commission to unlicensed producers. Also contrary to Illinois law, Humana failed to report to the Division two producers who were terminated for cause.

Director McRaith not only ordered Humana to pay a \$500,000 civil forfeiture within thirty days, but also he ordered the company to file a plan detailing a plan to comply with the report's findings.

The Division of Insurance regulates all types of insurance sold in the State of Illinois, as well as the individuals and agents involved with the sale and distribution of insurance. If you know of or have a question or complaint about your insurance company or your insurance agent, please contact the Division at 1-866-445-5364.

Click here to view copies of the [Humana Order](#) and the [Humana MC Report](#).



**Acrobat Reader 5.0 and above is necessary to access PDF documents.**

CLICK ON the "Get Acrobat Reader" icon to download the product free.